

ITEM NO: _____

PREPARED BY: Christy L. Kinard

APPROVED BY: Christy L. Kinard
Assistant County Attorney

RESOLUTION BY THE BOARD OF COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, REQUESTING THE MEMBERS OF THE TENNESSEE GENERAL ASSEMBLY SUPPORT LEGISLATION AMENDING CHAPTER 987 OF THE PUBLIC ACTS OF 1998, AS AMENDED, RELATIVE TO THE ALLOCATION AND DEPOSIT OF AD VALOREM TAX REVENUES INTO COMMUNITY REDEVELOPMENT TRUST FUNDS. SPONSORED BY COMMISSIONER MIKE RITZ.

WHEREAS, the Memphis and Shelby County Community Redevelopment Agency (the “CRA”) was created by County resolution adopted August 9, 1999 as Item No. 30, in accordance with the authority granted by the Community Redevelopment Act of 1998, Chapter 987 of the Public Acts of 1998, for the purpose of rehabilitation, conservation, and/or redevelopment of slum or blighted areas and/or areas with a shortage of housing affordable to low and/or moderate income residents; and

WHEREAS, community redevelopment areas are established by the City of Memphis and Shelby County through the CRA and community redevelopment plans are funded by annual ad valorem tax increments; and

WHEREAS, such tax increments are based on the amount of annual tax collected on increased property values in the community redevelopment areas beginning with the year preceding the establishment of such areas (the “base year”); and

WHEREAS, the Shelby County Trustee is required to place between 50% and 95% of the such tax increments, the percentage to be determined by the Board of County Commissioners at the time the community redevelopment area is established, in the CRA trust fund; and

WHEREAS, a windfall stream of tax revenues occurs to the CRA trust fund when the community redevelopment plan includes tax-exempt property which has no taxable value on the assessment roll for the base year and that tax-exempt property later becomes taxable and appears on the tax roll; and

WHEREAS, the Board of County Commissioners of Shelby County, Tennessee believes that it is appropriate that a resolution be passed requesting the Tennessee General Assembly amend Chapter 987 of the Public Acts of 1998, as amended, relative to the allocation and deposit of ad valorem tax revenues into community redevelopment trust funds so as to include the appraised value of tax-exempt property shown on the assessment roll for the base year, or, if there is no such value, to include in the base year the appraised value of tax-exempt property at the time such property first appears on the assessment roll.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, that this Board, after careful consideration hereby requests the Shelby County Legislative Delegation and members of the Tennessee General Assembly enact legislation amending Chapter 987 of the Public Acts of 1998, as amended, a copy of which is attached hereto and incorporated herein by reference, relative to the allocation and deposit of ad valorem tax revenues into community redevelopment trust funds.

BE IT FURTHER RESOLVED, that the Shelby County Legislative Delegation and members of the Tennessee General Assembly be made aware of this request by copy of this resolution.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, the public welfare requiring the same.

A C Wharton, Jr., County Mayor

Date: _____

ATTEST:

Clerk of County Commission

ADOPTED: _____